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STATEMENT OF THE HONORABLE JOHN M. McHUGH FULL COMMITTEE MARKUP – MWR PROVISIONS MAY 10, 2000

I thank the Chairman, and I promise to be brief. Before the recess, the MWR Panel had its usual bipartisan, unanimous markup. It's frightening to think that we all agree so consistently, but it's easy to take the same path when we all share the same goal—providing the best support possible for our men and women in uniform deployed across the globe.

Once again, I thank our ranking Democrat, Marty Meehan of Massachusetts, for his constant support and encouragement in our shared responsibility to manage MWR matters for the committee. As always, the Panel crafted a package to further strengthen and protect essential MWR programs. The stresses apparent on the defense budget and the evidence gathered by the Panel over the last couple of years clearly demonstrated that we needed to act now to protect commissaries, the cornerstone of the MWR system.

Why are commissaries critical? While all aspects of the MWR system are important, commissaries are the drawing card for base programs, because they sell groceries at cost. The recently completed commissary survey directed by the panel two years ago reinforced the notion that the troops value commissaries for their low prices, compared to **all** other commercial competition. Since we normally locate commissaries adjacent to exchanges, commissary shoppers also stop by the exchange, helping to generate income for other MWR activities.

Here's the rationale for the Panel's action. All of us are more likely to shop in an attractive facility rather than a run down warehouse or outdated, poorly lit store. Many of you realize that commissary patrons fund the maintenance and replacement of our fleet of 290 commissaries through a five percent surcharge added at the cash register. Over time, and in some ways because it was a ready source of funds unburdened by stringent appropriated fund requirements, the surcharge fund assumed responsibility for paying other bills as well. These other items, things such as utilities, supplies and information technology, eat so much of the fund today that new commissary construction is now all but impossible. We're kidding ourselves if we think we're providing a benefit of any kind when there is no way to refurbish and replace worn out stores. Based in part on testimony from the new director of the Defense Commissary Agency that he would aggressively work to cut costs within his agency, we recommend a set of provisions that will fence the surcharge fund for commissary store construction and repair only.

Last year, the committee declared its intention to make the commissary benefit sound in the 106th Congress. The MWR Panel markup does just that, and I ask that the committee support our markup.

Of course, we included other measures that are described in the packets before you. I am honored to offer these provisions on behalf of our colleagues on the MWR Panel.

Thank you, Mr. Chairman.